REMARKS

This responds to the Office Action mailed on June 13, 2006, and the references cited therewith.

Claims 1-24 are now pending in this application.

§103 Rejection of the Claims

Claims 1-24 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Sacks (U.S. Publication No. 2002/0016765A1) in view of Toohey (U.S. 6,405,176).

To sustain a § 103(a) rejection, the Examiner has the burden to establish a *prima facie* case of obviousness. In order to do that, three base criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *M.P.E.P.* § 2142.

With respect to claim 1, claim 1 recites "the shopping cart application being external to an online payment service".

The Examiner asserts, "It would have been obvious to one of ordinary skill in the art to have provided the method of Sacks to have included a third party shopping cart application external to the payment processor (of Sacks) in order to have provided the convenience of single payment transaction for all shopping among a plurality of sellers, and at the same time, allowing the sellers to receive data to update respective point of sale systems".

Sacks does not disclose the feature "the shopping cart application being external to the an online payment service" which is positively recited in claim 1. The Examiner also acknowledges that in Sacks "it is not fully clear that shopping cart application is external to the payment processor, per se."

The Examiner refers to Toohey at col. 1, lines 7-9, col. 3, lines 49-54, and col. 4, lines 20-23 to support his assertion. Col. 1, lines 7-9 of Toohey states, "a method for processing multiple electronic shopping carts in an electronic commerce mall." Col. 3, lines 49-54 states, "From the mall perspective, as opposed to the electronic commerce shopper perspective, preferably the mall initially attaches the electronic commerce shopper to an electronic shopping basket as the electronic commerce shopper enters the mall as shown in block 1." And, Col. 4, lines 20-23 states, "Otherwise, having chosen to exit the mall in the decision block 11, and following along the path 24, the electronic commerce shopper preferably will undergo a single mall checkout event as shown in the aggregate step 25."

However, none of the above parts of Toohey cited by the Examiner teaches or suggests the feature "the shopping cart application being external to an online payment service" of claim 1. In fact, these parts do not even mention a "shopping cart application."

The Examiner also refers to col. 2, lines 52-67 and col. 3, lines 1-5 of Toohey to support his assertion. The col. 3, lines 1-5 of Toohey states, "[t]he computer-based data processing system can further includes a second means for processing payment for all store items contained in all virtual ledgers associated with a single one of the electronic shopping baskets in a single transaction." The Examiner also asserts, "[t]his second means description follows a separate description of the shopping cart application at col. 2, lines 52-67. From these passages, it is clear that Toohey teaches that the shopping cart application is external to the online payment service."

Applicant does not agree with the Examiner's assertion. Col. 2, lines 52-67 and col. 3, lines 1-5 of Toohey do not disclose the feature "the shopping cart application being external to an online payment service" of claim 1. In fact, these two parts do not even mention "shopping

cart application." In Toohey, a "virtual ledger" is a metaphor. A "shopping cart" is not the same as a "shopping cart application". Even though col. 3, lines 1-5 of Toohey teaches " [t]he computer-based data processing system can further include a second means for processing payment for all store items contained in all virtual ledgers associated with a single one of the electronic shopping baskets in a single transaction," the Examiner cannot necessarily reach the conclusion that the shopping cart application is external to the online payment service in Toohey. Since using what means to process payment of items in a shopping cart does not determine where to place the shopping cart application, accordingly does not determine whether the shopping cart application is external to an online payment service. Thus, Toohey does not teach "shopping cart application is external to an online payment service".

Therefore, neither Sacks nor Toohey teaches or suggests the feature "the shopping cart application being external to the an online payment service" of claim 1.

Furthermore, the Examiner fails to point to any passages that teach or suggest a feature "a virtual shopping cart hosted by a merchant web site", which is positively recited in claim 1.

For at least these reasons, Applicant submits that the combination of Sacks and Toohey does not teach or suggest every element of claim 1.

With respect to claim 10 and 18, each of them recites "the shopping cart application being external to an online payment service" and "a virtual shopping cart hosted by a merchant web site." As discussed for claim 1, the combination of Sacks and Toohey does not teach or suggest these features. For at least these reasons, Applicant submits that the combination of Sacks and Toohey does not teach or suggest each and every element of claims 10 and 18.

With respect to claim 22, it recites "a virtual shopping cart hosted by the merchant web site." As noted in the discussion of Claim 1, the combination of Sacks and Toohey does not teach or suggest this feature. For at least this reason, Applicant submits that the combination of Sacks and Toohey does not teach or suggest every element of claim 22.

With respect to claims 2-9, 11-17, 19-21, 23, and 24, each of them depends, directly or indirectly, on one of claims 1, 10, 18, and 22. For at least the reasons discussed above, Applicant submits that the combination of Sacks and Toohey does not teach or suggest each and every element of claims 2-9, 11-17, 19-21, 23, and 24.

Thus, Applicant submits that claims 1-24 are not rendered obvious under 35 U.S.C. § 103(a) over Sacks in view of Toohey, and respectfully requests the Examiner to withdraw the rejections to claims 1-24.

AMENDMENT AND RESPONSE UNDER 37 CFR § 1.111
Serial Number: 10/791,156
Filing Date: March 1, 2004
Title: INTEGRATING THIRD PARTY SHOPPING CART APPLICATIONS WITH AN ONLINE PAYMENT SERVICE

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CONCLUSION

Applicant respectfully submits that the claims are in condition for allowance, and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicant's attorney at 408-278-4042 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

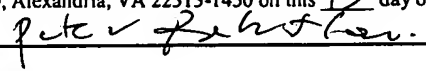Respectfully submitted,

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Date _____10/13/06_____ By / _____ /

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